



WISCONSIN AGRICULTURAL STATISTICS SERVICE

P.O. Box 8934 Madison, WI 53708-8934

In cooperation with WI Department of Agriculture, Trade and Consumer Protection



August 2006

2005 Farm Production Expenditures

Overview

The data contained in this publication was gathered on the 2005 Agricultural Resource Management Survey (ARMS). In addition to this publication by the National Agricultural Statistics Service, the survey data will be used by the Economic Research Service to publish reports on the impacts of higher expenses, production decisions, and government policies on the agricultural economy.

The ARMS covers the population of farms defined as "establishments which sold or normally would have sold at least \$1,000 of agricultural products during the previous year." These establishments include traditional agricultural operations, such as crop and livestock farms, and specialty operations, such as orchards, nurseries, and aquaculture facilities.

Wisconsin Production Expenditures

Wisconsin farm production expenditures totaled \$7.18 billion in 2005, compared to \$6.63 billion in 2004. The majority of categories showed an increase between 2004 and 2005. Trucks and autos, labor, and rent were the expenditure categories that declined from last year.

Four expenditure categories rose at least 24 percent from 2004 to 2005. The largest change was in fuels, with a 42 percent jump. Fuels were responsible for 5 percent of the total farm expenditures. Compare this to feed that rose 5 percent from 2004, and contributed 16 percent to the total farm expenditures. Other categories to show increases were: farm supplies and repairs, up 25 percent; and tractors and self-propelled farm machinery, and livestock, poultry and related expenses both 24 percent above the previous year.

Expenditures per Wisconsin farm averaged \$93,856 in 2005, compared to \$86,667 in 2004. The average Wisconsin farm spent \$15,033 on feed, \$13,203 on farm services, \$8,235 on labor, \$8,105 on farm improvements and construction, and \$7,190 on farm supplies and repairs.

United States Production Expenditures

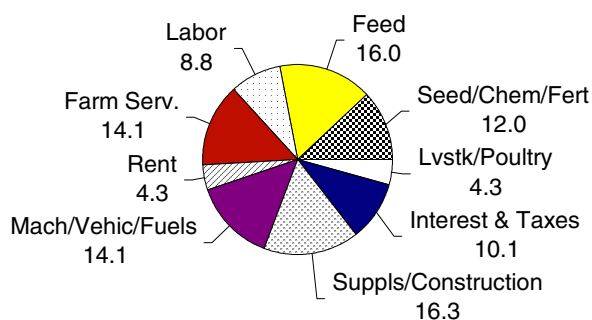
U.S. farm production expenditures totaled \$223 billion in 2005, up 5 percent from the 2004 total of \$212 billion. The top three contributors to that increase were: fuels, up 26 percent; taxes, 14 percent higher; and fertilizer, up 12 percent. The following categories experienced declines: feed and other farm machinery, both down 5 percent; trucks and autos and tractors and self-propelled farm machinery, both down 2 percent.

Expenditures per U.S. farm averaged \$106,499 in 2005, compared to \$100,498 in 2004. On average, American farms spent \$14,034 on farm services, \$13,462 on feed, \$11,361 on labor, \$10,216 on livestock and related expenses, and \$8,163 on rent.

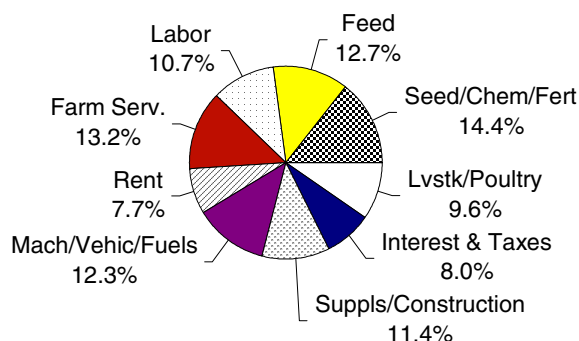
The Midwest was the farm production region contributing most to total 2005 U.S. farm production expenditures, with \$63.6 billion in expenditures, 29 percent of the U.S. total. Overall, expenditures in the Midwest region rose 5 percent from the \$60.4 billion total in 2004. States included in the Midwest category are: *Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Ohio, and Wisconsin*. The states printed in italics are among the top 15 leading cash receipts states in the nation.

The complete Farm Production Expenditures report is available online at:
<http://www.usda.gov/nass/pubs/pubs.htm>

Farm Production Expenditures
Wisconsin, 2005
Percent of Total Farm Outlay



Farm Production Expenditures
United States, 2005
Percent of Total Farm Outlay



FARM PRODUCTION EXPENDITURES

Expenditure - farm share	Wisconsin				United States 1/			
	Average per farm 2/		Total expenditures		Average per farm 2/		Total expenditures	
	2004	2005	2004	2005	2004	2005	2004	2005
	Dollars		Million dollars		Dollars		Million dollars	
Total farm production expenditures 3/ 4/	86,667	93,856	6,630	7,180	100,498	106,499	211,800	223,100
Livestock, poultry & related expenses 5/	3,268	4,052	250	310	9,110	10,216	19,200	21,400
Feed	14,379	15,033	1,100	1,150	14,093	13,462	29,700	28,200
Farm services 6/	12,157	13,203	930	1,010	12,716	14,034	26,800	29,400
Rent 7/	4,183	4,052	320	310	7,877	8,163	16,600	17,100
Agricultural chemicals 8/	2,484	2,614	190	200	4,081	4,249	8,600	8,900
Fertilizer, lime & soil conditioners 8/	4,183	4,575	320	350	5,409	6,110	11,400	12,800
Interest	4,575	5,229	350	400	4,223	4,630	8,900	9,700
Taxes (real estate & property) 9/	3,922	4,183	300	320	3,321	3,819	7,000	8,000
Labor	9,281	8,235	710	630	11,056	11,361	23,300	23,800
Fuels	3,137	4,444	240	340	3,796	4,821	8,000	10,100
Farm supplies & repairs 10/	5,752	7,190	440	550	5,504	5,967	11,600	12,500
Farm improvements & construction 11/, 12/	7,582	8,105	580	620	5,979	6,110	12,600	12,800
Tractors and self-propelled farm machinery	3,268	4,052	250	310	4,128	4,058	8,700	8,500
Other farm machinery	2,614	2,876	200	220	2,040	1,957	4,300	4,100
Seeds & plants 13/	3,660	4,052	280	310	4,555	4,965	9,600	10,400
Trucks & autos	2,092	1,830	160	140	2,278	2,244	4,800	4,700

1/Excludes Alaska and Hawaii. 2/Total expenditures divided by total number of farms. 3/Total includes production costs not allocated to any of the sixteen expense categories published. 4/Includes landlord and contractor share of farm production expenses. 5/Includes purchases and leasing of livestock and poultry. 6/Includes all crop custom work, veterinary services, custom feeding, transportation costs, marketing charges, insurance, leasing of machinery and equipment, miscellaneous business expenses, and utilities. 7/Includes public and private grazing fees. 8/Includes material and application costs. 9/Landlord taxes were imputed at a higher rate starting in 2005. 10/Includes bedding and litter, marketing containers, power farm shop equipment, miscellaneous non-capital equipment and supplies, repairs and maintenance of livestock and poultry equipment, and capital equipment for livestock and poultry. 11/Includes all expenditures related to new construction or repairs of buildings, fences, operator dwelling (if dwelling is owned by operation), and any improvements to physical structures of land. 12/Changed to include operator dwelling expenses (if dwelling is owned by operation) in 2003. 13/Excludes bedding plants, nursery stock, and seed purchased for resale. Includes seed treatment. Source: USDA, NASS, Wisconsin Field Office.